

September 7, 2004

The Randolph County Board of Commissioners met in regular session at 4:00 p.m. in the Commissioners Meeting Room, County Office Building, 725 McDowell Road, Asheboro, NC. Commissioners Holmes, Kemp, Frye, Davis, and Mason were present. Rev. Marion Smith, retired Department of Social Services Director, gave the invocation, and everyone recited the Pledge of Allegiance.

Recognition of Boy Scout Troop

Chairman Holmes recognized members of Boy Scout Troop 582 from New Life Fellowship Church, who were attending the meeting for a merit badge requirement.

Recognition of Retiree

Chairman Kemp presented an engraved clock to Elaine Garner, who is retiring from the Department of Social Services with 21 years of service.

Consent Agenda

On motion of Kemp, seconded by Davis, the Board voted unanimously to approve the Consent Agenda, as presented:

- *approve minutes of the 8/2, 2004 regular meeting, 8/2 special meeting, & 8/2 closed session (2 sets);*
- *reappoint Marian Tillman and Matilda Phillips to Randolph County Nursing Home Advisory Committee (3-yr. term);*
- *approve 2 D.O.T. resolutions adding Cordie Drive & Cortez Road to State Roads System, as follows:*

***WHEREAS**, the Department of Transportation has investigated 0.10 mile of Cordie Drive in the Hayfield Acres Subdivision; and*

***WHEREAS**, the subject street has been found to meet minimum requirements for addition.*

***NOW, THEREFORE, BE IT RESOLVED** by the Randolph County Board of Commissioners that 0.10 mile of Cordie Drive in the Hayfield Acres Subdivision be added to the Division of Highways' Secondary Road System.*

and

***WHEREAS**, the Department of Transportation has investigated 0.25 miles of Cortez Road in the Bonita Woods Estates Subdivision; and*

***WHEREAS**, the subject street has been found to meet minimum requirements for addition.*

***NOW, THEREFORE, BE IT RESOLVED** by the Randolph County Board of Commissioners that 0.25 miles of Cortez Road in the Bonita Woods Estates Subdivision be added to the Division of Highways' Secondary Road System.*

- *approve D.O.T. resolution for abandonment of a portion of SR 1921, as follows:*

***WHEREAS**, the Department of Transportation has investigated a portion of SR 1921 from the intersection with SR 1928 to the intersection with SR 1935 (length of 0.48 miles) in Randolph County for purposes of abandonment; and*

***WHEREAS**, it has been determined that this portion of subject road should be abandoned from the Division of Highways' Secondary Road System.*

NOW, THEREFORE, BE IT RESOLVED by the Randolph County Board of Commissioners that a portion of SR 1921 from the intersection with SR 1928 to the intersection with SR 1935 (length of 0.48 miles) in Randolph County be abandoned from the Division of Highways' Secondary Road System.

- *adopt proclamation on RCC Foundation Month, as follows:*

WHEREAS Randolph Community College (RCC) provides two-year associate degrees, diplomas and certificates in university parallel, technical, vocational, and occupational curricula; public safety training; remedial and basic skills development; and assists business and industry with training, re-training, and development of today's competitive workforce; and

WHEREAS RCC works in pivotal roles with business and industry, as well as with high schools and sister four-year colleges and universities, to educate students for the local, national and international job market; and

WHEREAS more than 12,000 Randolph County residents are enrolled in this year alone in the many diverse educational, cultural, and self-development programs provided by RCC; and

WHEREAS RCC is widely known to provide students and residents with access to the most convenient and cost-efficient educational opportunities available; and

WHEREAS the RCC Foundation is the primary support organization dedicated to raising and providing funding for student scholarships and program support at RCC; and

WHEREAS the RCC Foundation, established on October 26, 1979, is now celebrating its 25-year anniversary; and

WHEREAS it is appropriate that Randolph County designate the month of October as a time to celebrate the contributions of the RCC Foundation to the education, betterment, and welfare of our citizens;

THEREFORE, in special recognition of the critical role that RCC plays in the lives of students and residents throughout Randolph County, the Randolph County Board of Commissioners do hereby proclaim October 2004 to be RANDOLPH COMMUNITY COLLEGE FOUNDATION MONTH and encourage all citizens to recognize, promote and participate in activities celebrating the contributions that the RCC Foundation has made.

Award Rehabilitation Contracts for Scattered Site Housing Projects

Patty Brown, Assistant Public Works Director, reminded the Board that in 2003 Randolph County received a grant in the amount of \$400,000 for a Scattered Site Housing Community Development Block Grant project. In this grant, the County stated it would rehabilitate at least eight homes. Since that time the Public Works staff have been diligently working with the Scattered Site Housing Committee and Hobbs, Upchurch and Associates, our consultants, in selecting homes for rehabilitation. For the first group of homes, ten applications were received. Of those ten applications, five were deemed eligible for the program; one application exceeded the income limits; one application was ineligible because both owners have deceased; and the remaining three applications had various problems with ownership issues. From the remaining five applications, we decided to group a package of four homes to rehabilitate. The four homes chosen were selected by the Scattered Site Housing Committee as the most suitable for the project. However, the one remaining home would stay on the list of potential homes for rehabilitation at a later date. Bids packages were issued on August 9, 2004 at a pre-bid meeting with the contractors. Bids were received on August 20, 2004. We had four bidders for each of the homes. They are as follows:

* Apparent low bidder	Wanda Stout	Doris Marsh	Irene Bell	Glenna Graves
Benchmark Builders & Restorations	\$18,978.03	\$27,285.06	\$11,413.41*	\$22,814.47
Barker Construction	\$22,940.00	\$27,686.00	\$20,268.00	\$20,332.00*
Glen King Construction	\$15,900.00*	\$21,470.00*	\$13,390.00	\$21,875.00
Builders Unlimited	\$28,230.00	\$31,090.00	\$16,795.00	\$32,505.00

Ms. Brown requested that the Board of Commissioners award four different contracts to each low bidder. She said that references have been verified by our consultant for all contractors for whom she is requesting contracts be awarded. Unlike most construction contracts let by the County, these contracts will be a three-way contract between the County, the contractor and the homeowner. Since the grant requires that the homeowner sign off on certain issues, we do not want to find ourselves in breach of contract due to a homeowner's signature. A recapture provision is included in the grant; therefore, a deed of trust will be held on the property for an eight-year period.

On motion of Mason, seconded by Davis, the Board voted unanimously to award contracts on the following: Wanda Stout home--to Glen King Construction in the amount of \$15,900.00; Doris Marsh home--to Glen King Construction in the amount of \$21,470.00; Irene Bell home--to Benchmark Builders and Restorations in the amount of \$11,413.41; Glenna Graves home to Barker Construction in the amount of \$20,332.00, as recommended.

Approve Contract Between Archdale and the County Regarding the Archdale Library

On motion of Frye, seconded by Davis, the Board voted unanimously to approve the contract between the County of Randolph and the City of Archdale concerning the operation of the Archdale Public Library, as follows:

This Contract, made and entered into this 1st day of July, 2004, by and between the City of Archdale, hereinafter referred to as the "City" and the County of Randolph, hereinafter referred to as the "County."

WHEREAS, the City has built and maintains within its corporate limits a building that serves as the Archdale branch of the Randolph County Library; and

WHEREAS, the City and the County both desire to operate and maintain a branch library in the City's corporate limits; and

WHEREAS, to do so requires the sharing of expenses between the County and the City in order to maintain the building and provide the services;

NOW, THEREFORE, it is hereby agreed that the costs and expenses of maintaining and operating the Archdale branch of the Randolph County Library are allocated as provided in this Agreement.

Section 1. County Expenditures Not Reimbursed by the City

In furtherance of the aforementioned desire to operate and maintain a branch library in the City's corporate limits, the County agrees to pay the following:

- A. The County agrees to pay the salaries, FICA, retirement, and health insurance, in accordance with the Randolph County Personnel Plan, for the positions outlined in Attachment A to this Contract, an amount which totals \$97,572.00.*
- B. The County agrees to pay for Operating Expenses a total amount that equals or exceeds \$25,000.00 in accordance with the Budget shown in Attachment B. The Randolph County Public Library Director may transfer amounts between line item expenditures as shown in Attachment B without limitation and without a report being required.*

Section 2. City Expenditures Not Reimbursed by the County

In furtherance of the aforementioned desire to operate and maintain a branch library in the City's corporate limits, the City agrees to pay the following:

- A. HVAC Maintenance Costs*
- B. Grounds keeping Costs*
- C. Debt Service on Facility*

Section 3. County Expenditures Reimbursed by the City

- A. The following expenditures shall be reimbursed by the City:*

1. The County agrees to pay and the City agrees to reimburse the County for said payments a total up to \$55,255.00 in personnel costs as detailed in Attachment C to this Contract.
2. The County agrees to pay and the City agrees to reimburse the County for actual costs of janitorial services at the Archdale facility. Janitorial services will be provided at a rate of \$ 7.25 per hour (approximately 15 hours/week) with a total annual amount not exceeding \$6300.00, including FICA.
3. The County agrees to pay and the City agrees to reimburse the County for the actual amounts expended for the following operating expenses: Duke Power, Piedmont Natural Gas, North State Telephone.

B. All reimbursements shall be made on a quarterly basis.

Section 4. Randolph County Public Library Town Library Grant

The County provides the City of Archdale with a \$10,000.00 Public Library Town Library Grant (hereinafter referred to as the "Grant") for the operation of a branch library. There is currently an unpaid balance of \$3,000.00 from the 2003-2004 grant. The County shall provide the City with \$13,000.00 in satisfaction of the \$10,000.00 for the 2004-2005 grant and the \$3,000.00 unpaid balance from the 2003-2004 grant.

Section 5. Miscellaneous Expenses/Funds

- A. Any funds appropriated by the City for books, materials, or services are at the discretion of and remain the responsibility of the City.
- B. Overdue material fines, replacement fines, library card fees, and photocopy fees are and shall remain revenue of the County.

Section 6. Term/Amendment

This Contract shall remain in force and effect from July 1, 2004 until June 30, 2005 and may only be amended in writing by agreement of both parties.

Section 7. Entire Agreement

This Contract represents the entire agreement between the County and the City and supersedes all prior negotiations, representations or agreements, either written or oral.

ATTACHMENT A
Personnel Expenditures Not Reimbursed by the City

<u>Librarian IV</u> (40 hours per week)	\$ 39,504.00
FICA @ 7.65%	\$ 3,022.00
Health Insurance @ \$350 per month	\$ 4,200.00
Retirement @ 4.90%	\$ 1,936.00
Total	\$ 48,662.00
 <u>Librarian II</u> (40 hours per week)	 \$ 29,160.00
FICA @ 7.65%	\$ 2,231.00
Health Insurance @ \$350 per month	\$ 4,200.00
Retirement @ 4.90%	\$ 1,429.00
Total	\$ 37,020.00
 <u>Library Asst. II</u> (15 hours per week)	 \$ 6,185.00
FICA @ 7.65%	\$ 473.00
Total	\$ 6,658.00

<u>Library Asst. II</u> (12 hours per week)	\$	4,860.00
FICA @ 7.65%	\$	372.00
Total	\$	5,232.00
 Total Personnel	\$	 97,572.00

ATTACHMENT B
Operating Expenses Not Reimbursed by the City

Books

Baker & Taylor Lease	\$	1,880.00
Standing Orders	\$	2,000.00
Book Budget	\$	5,000.00

Periodicals

Cox Subscriptions	\$	2,575.00
Other	\$	485.00

<u>Audio-Visual Materials</u>	\$	250.00
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<u>Travel Expense Reimbursement</u>	\$	500.00
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<u>Professional Memberships</u>	\$	250.00
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<u>Postage and Petty Cash</u>	\$	200.00
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Automation Expenses

Roadrunner	\$	3,000.00
Printer Ribbons & Supplies	\$	1,000.00
Computer Maintenance	\$	2,000.00

Telephone

North State Telephone-Fax Line	\$	480.00
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Copier Lease

IOS Capital (\$365 per month)	\$	4,380.00
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Supplies

Janitorial Supplies	\$	500.00
Office Supplies	\$	500.00

Total Operating Expenditures	\$	25,000.00
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ATTACHMENT C
County Personnel Expenditures Reimbursed by the City

<u>Library Technician I</u> (40 hours per week)	\$	24,252.00
FICA @ 7.65%	\$	1,855.00
Health Insurance @ \$350 per month	\$	4,200.00
Retirement @ 4.90%	\$	1,188.00
Total	\$	31,495.00

<u>Library Technician I</u> (30 hours per week)	\$	17,379.00
FICA @ 7.65%	\$	1,329.00
Insurance @ \$350 per month	\$	4,200.00
Retirement @ 4.90%	\$	852.00
Total	\$	23,760.00

Grand Total	\$	55,255.00
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Request for 2 New Positions at Day Reporting Center

Pam Hill, Day Reporting Center Director, told the Board that the Randolph County Day Reporting Center has two temporary part-time employees that she would like to make permanent. These employees are currently performing job duties that would better serve the agency if they were performed on a full-time permanent basis. One of these employees has been functioning as an office assistant and has become responsible for finalizing all of the grant applications the agency receives, as well as other office duties. Without this stable employee, the agency would have a difficult time processing the massive amount of paperwork required by the grantor agencies that fully fund the DRC program. This employee is currently working at seventy-five percent (75%) of the full-time equivalency. The second employee started as one of our transportation drivers. She has assumed the responsibility of overseeing the client transportation for the agency. With our programs, transportation is key in getting the clients onsite for the necessary court-ordered treatment or other services. All transportation routes have to be coordinated daily, so a stable permanent employee is key to the success of the program. Ms. Hill requested that the Commissioners allocate two new positions to the Day Reporting Center. The office assistant position would be classified as an Office Assistant III at a grade 58 and the transportation coordinator would be classified as a Human Resources Aide at a grade 52. All funds required for the salary and fringe benefits for these new positions are from additional grant funds received this year through the State.

On motion of Kemp, seconded by Frye, the Board voted unanimously to allocate two new positions to the Day Reporting Center: an Office Assistant III at a grade 58 and a Human Resources Aide at a grade 52, effective September 1, 2004.

Approve New Tax Department Records Retention Schedule

On motion of Mason, seconded by Frye, the Board voted unanimously to approve a new records retention and disposition schedule for the Tax Department (ATTACHED).

Adopt Resolution of Intent to Permanently Close Portions of Hedgecock Rd. and Coltrane Mill Rd. and Set Public Hearing

Aimee Scotton, Staff Attorney, said that the Piedmont Triad Water Authority has requested that the Randolph County Board of Commissioners act to permanently close a portion of Hedgecock Road and a portion of Coltrane Mill Road. The procedure for closing a public road or easement is governed by North Carolina General Statute §153A-241. The first step requires that the Board of Commissioners adopt a resolution declaring its intent to close the roads and calling for a public hearing on the question. This notice must be published once a week for three successive weeks before the hearing, and a copy of the resolution must be sent by registered certified mail to each owner of property adjoining the road, as shown by the County tax records, who did not join in the request to have the roads closed. Furthermore, a notice of the closing and the public hearing must be posted in at least two places along the road. At the public hearing, interested persons are allowed to voice their views on whether the closing will be detrimental to the public interest or to individual property rights. After the public hearing, if the Board of Commissioners is satisfied that closing this road will not be detrimental to public interest and will not deprive any individual of access to his property, the Board may adopt an order closing the road. A certified copy of the order shall then be filed with the Register of Deeds office. As stated above, we are currently in the first phase of this process. The Piedmont Triad Water Authority has requested that portions of these roads be permanently closed. In order to proceed further, the Board of Commissioners needs to adopt a resolution declaring its intent to close those portions and set a public hearing on the matter.

On motion of Frye, seconded by Davis, the Board voted unanimously to adopt the following resolution of intent to permanently close portions of Hedgecock Rd. and Coltrane Mill Rd. and set a public hearing on the matter for 5:00 p.m. on October 4, 2004.

WHEREAS, the Piedmont Triad Regional Water Authority was formed for the purpose of purchasing land, constructing, and operating a water supply reservoir, known as Randleman Lake; and

WHEREAS, the Randolph County Board of Commissioners has received a request from the Piedmont Triad Regional Water Authority to permanently close the following section of Hedgecock Road

From its intersection with Coltrane Mill Road in an easterly direction for approximately 650 feet where it terminates with the Piedmont Triad Regional Water Authority property (Randleman Lake buffer); and

WHEREAS, the Randolph County board of Commissioners has received a request from the Piedmont Triad Regional Water Authority to permanently close the following section of Coltrane Mill Road:

From its intersection with Cedar Square Road in a northeasterly direction for approximately 3,599 feet where it terminates with Coltrane Mill Road (at Station 50 + 00 as shown on the Piedmont Triad Regional Water Authority Randleman Dam Roadway Relocations and Bridge Replacements Plan);

WHEREAS, North Carolina General Statute § 153A-241 requires that the Board of Commissioners hold a public hearing prior to the closing of any road to consider the effects of said closing on the public interest or on individual property rights;

BE IT THEREFORE RESOLVED that the Randolph County Board of Commissioners hereby declares its intent to permanently close those portions of Hedgecock Road and of Coltrane Mill Road outlined above.

BE IT FURTHER RESOLVED that the Randolph County Board of Commissioners has set a public hearing for 5:00 p.m. on October 4, 2004 to consider said closings and to allow for the public to be heard on this matter.

Presentation and Funding Request from Cape Fear River Assembly (CFRA) and Budget Amendment

Don Freeman, CFRA Executive Director, gave a PowerPoint Presentation on the CFRA and asked the Board to consider becoming a member at an annual membership fee of \$1000. He said that the CFRA is a nonprofit organization whose mission is to coordinate and facilitate stewardship of our water resources within the Cape Fear River Basin and to thereby achieve and preserve a sustainable economy and quality of life for all concerned.

On motion of Frye, seconded by Kemp, the Board voted unanimously to appropriate \$1,000 from the County's Fund Balance to the Cape Fear River Assembly, Inc. for an annual membership, but to withhold the disbursement of the check until our attorney satisfactorily reviews the CFRA by-laws, and approved Budget Amendment #8, as follows:

GENERAL FUND--#8	
Revenues	Increase
<i>Appropriated Fund Balance</i>	<i>\$1,000</i>
Appropriations	Increase
<i>Other Economic & Physical Development</i>	<i>\$1,000</i>

Presentation and Determination of Capital Projects Financing Method

County Manager Frank Willis told the Board that Randolph County faces a number of capital needs for government services, public schools, and the community college. The County desires to purchase three million gallons of water per day (MGD) in the Randleman Reservoir by exercising options, which expire in December 2004. It also needs to replace the old Seagrove Library with a new facility capable of serving the southern portion of the county. Randolph County Schools has a growing student population moving through its high schools, forcing the use of numerous mobile classrooms. It desires to build two new high schools and renovate the existing four high schools. Asheboro City Schools and Randolph Community College also face inadequate facilities due to growing student enrollment. The initial estimates for capital needs over the next ten years were as follows:

Randolph County	- \$ 5,984,574
Asheboro City Schools	- \$ 41,000,000
Randolph County Schools	- \$ 133,780,328
Randolph Community College	- <u>\$ 39,717,060</u>
	\$ 220,481,962

However, the capacity for a government to incur debt is limited, and the capital needs listed above are far beyond the ability of Randolph County to currently finance through debt. Using a guideline from the bond markets, the North Carolina Local Government Commission (LGC) considers a government to have a “heavy debt burden” if the ratio of debt service to total General Fund expenditures is greater than 15%. If this would occur, the LGC would be concerned that a government’s debt service costs are interfering with the ability of the government to fund current operating needs. As of June 30, 2004, Randolph County has a debt service ratio of nearly 12%. The amount of additional debt that the LGC would allow us to issue is approximately \$50 million. However, as current debt is paid off in the next decade, new debt could be incurred. It is estimated that another \$30 million could be issued in 2009 and \$62 million after 2014. This maximum additional debt would leave us at the 15% level and would be all the capacity that is available to fund county needs during these years. Obviously, all decisions regarding potential debt issuance must be placed in the context of Randolph County’s overall financial strength, including economic stability and budgetary trends.

Mr. Willis reminded the Board that a Capital Outlay Committee was appointed (by the Board) in June 2004 consisting of the County Commissioner Chair and Vice Chair, County Manager, County Deputy Finance Officer, County and City Schools Superintendents, RCC President, and the schools’ finance officers. This Committee met twice to review each unit’s capital needs, the timing of the projects, and possible methods of financing.

Recommended Projects – Each school system prioritized its capital needs and developed a timeline for its proposed projects. In consideration of the debt capacity available to the County, the following school projects are recommended to the Commissioners as the most pressing current needs.

Asheboro City Schools - \$ 7,700,000 (Renovation and expansion of Guy B. Teachey Elementary & Expansion of North Asheboro Middle School (NAMS))

Randolph County Schools - \$ 27,059,250 (New Northeast Randolph High School to ease overcrowding)

Randolph Community College - \$ 9,000,000 (Health and Science Center, Industrial & Skilled Trades Center, and Renovations to existing facilities)

These projects are in addition to Randolph County’s \$5,234,574 purchase of water rights to three MGD and the construction of a new Seagrove Library at \$750,000. Thus the total proposed financing package is \$49,743,824, not including the associated issuance costs.

Timing – Randolph County Schools’ most urgent need is for the Northeast Randolph High School due to the overcrowding at Eastern and Randleman High Schools. In order for the school to be available for the 2007-08 school year, construction must begin in the summer of 2005. Asheboro City Schools needs three years to complete the renovations to Teachey and NAMS, and would also begin in 2005. RCC won’t be ready to begin construction until 2006.

Methods of Financing--If the Board of County Commissioners accepts these priorities, they will need to make the decision on the method of financing these projects. The three methods to consider are the following: *General Obligation Bonds* (Bonds) are guaranteed by the taxing power of the local government. As such, the citizens, through a referendum, must approve a bond order. A separate bond issue would be required for a) public schools and b) community college. Approved bond orders are valid for seven years. Bonds may be sold as soon as ninety days after the referendum. The estimated cost of conducting a stand-alone bond referendum, according to Mark Coakley (former Elections Director), is approximately \$35,000 plus legal fees. *Certificates of Participation* (COPS) are secured by the property being financed rather than by the full faith and credit of the government. They are sold on the open securities market and incur special administrative costs. Funds can be available sooner since no voter approval is required. *Private Placement Installment Purchase* (PIIP) is similar to COPS except that the debt issue is smaller and the debt securities are sold to one institutional buyer instead of the open market. They can only be used in a year in which less than \$10 million of debt is issued by the government. The purchase of the Sir Robert Motel property in February 2003 was financed this way.

Available Resources--There are some one-time monies available to the County to assist in these projects, if the Commissioners choose to do so. The 2004-05 General Fund budget includes a \$500,000 transfer to the Randleman Dam Capital Project and \$160,000 in debt service savings from last year’s debt restructuring. There is also approximately \$450,000 in monies remaining in the Courthouse Capital Project. This \$1,110,000 of one-time money could be used to reduce the amount of the finance package. Mr. Willis recommended that it be used as seed money to purchase land and pay architects until the debt proceeds are available. This would also help to make up part of the \$3,003,526 of Appropriated Fund Balance in the FY 2004-05 General Fund Budget.

Financing Options--Because each system’s projects have different funding timelines, the County has options in deciding among the three financing methods. Scenario A assumes COPS are issued in July 2005 for all projects except the RCC capital needs. Because RCC won’t need funds until 2006, a PIIP agreement can be obtained when they actually need money for construction. The School Boards prefer COPS due to the urgent need for funds and the time-consuming effort that would be required of them to develop public support for the bond referendum. Scenario B assumes a bond referendum in 2005 (with debt to be issued January 2006) for all projects except County capital needs. The Capital Committee believed there was insufficient time to prepare for a successful bond referendum by the November election; accordingly, a separate election would be necessary if the Commissioners choose to issue bonds. Because the money will be needed sooner to fund the water options and library, a PIIP would be used in 2005. Because a government is limited to \$10 million of debt a year in the year of a PIIP, the County would have to wait until 2006 to issue bonds. A bond referendum would need to be completed by August 31, 2005 in order to obtain funds by January 2006. Regardless of the financing method, County officials will be required to meet with and obtain approval from the LGC for any debt issuance.

Tax Effect--A very important aspect to this discussion of potential debt will be the significant effect on the County’s property tax rate. As explained during the recent budget process, the portion of debt service related to the County’s two projects already exists in the budget: the \$500,000 transfer and the

\$160,000 per year savings are available each year to fund the principal and interest for the water rights and library. Therefore, no tax increase is required to finance the County projects. However, the additional debt service on nearly \$44 million in new obligations for school construction will have to be funded with a property tax increase. As the attached schedules show, either financing option will require a property tax increase of 5.62¢ or 5.68¢ during the next two years. Also, during the revaluation year of 2007-2008, an additional 0.87¢ would be required to pay for the estimated additional operating costs of the new school facilities. Other property tax matters to consider are (a) the amount needed to pay for current expenses increases each budget year for education, (b) the 3.66¢ budget deficit created by fund balance appropriated in the FY 2004-05 budget, and (c) the proposed recreation tax, if approved by voters in November.

Mr. Willis said that in order for the Capital Outlay Committee to finish its task, the next major step is for the Commissioners to decide whether COPS or Bonds will be the method of financing.

Dr. Robert McRae, County Schools' Superintendent, spoke briefly in support of the COPS method of financing.

Dr. Diane Frost, City Schools' Superintendent, also spoke in support of the COPS method of financing.

Dr. Richard Heckman, RCC President, said that since RCC's capital needs are not as immediate as the public school systems', he supports whichever method works best for everyone.

Following lengthy discussion, on motion of Kemp, seconded by Mason, the Board voted 3-2, with Frye and Holmes opposing, to sell general obligation bonds (following a successful bond referendum) to finance the capital needs.

Rezoning Public Hearing

At 6:40 p.m. the Board adjourned to a duly advertised public hearing to consider rezoning requests. Hal Johnson, Planning & Zoning Director, presented the following requests, and Chairman Holmes opened the public hearing for comments on each request and closed it before taking action on each request.

1. **NANCY HOFFMAN**, Jamestown, North Carolina, is requesting that 2.31 acres (out of 8.70 acres) located at 5432 Edgar Road, New Market Township, be rezoned from Residential Agricultural to Heavy Industrial/Conditional Use. Randleman Lake Critical Watershed. Tax ID# 7736280894. The proposed Conditional Use Permit would specifically allow a 70' x 47' addition of the existing sign manufacturing business. The Planning Board considered this request at public meeting on August 3, 2004, and recommended unanimously that this request be approved.

No one spoke.

On motion of Davis, seconded by Frye, the Board unanimously approved the request of Nancy Hoffman.

2. **LARRY EAST**, Sophia, North Carolina, is requesting that 67.07 acres located on Stewart Street (off Marlboro Church Road), New Market Township, be rezoned to allow an exclusive residential cluster subdivision overlay. Tax ID# 7745095586. Zoning District RA. The Conditional Use Zoning District would specifically allow a 35-lot residential cluster subdivision for site-built homes with a

minimum house size of 1,200 sq. ft. The Planning Board considered this request at public meeting on August 3, 2004, and recommended unanimously that this request be denied.

Charles Morgan, land surveyor, 10468A N. Main St., Archdale, said that because the site does not perk extremely well the maximum numbers of lots is 35. The septic fields are proposed to be placed at the end of the 2 cul-de-sacs. He said that Stewart St. should be paved by the Dept. of Transportation by fall of 2005. Davidson Water is currently not available but in the future they hope to tap onto the Archdale water line from the Randleman Lake that will eventually run up Hwy. 311. Right now, however, their plan is to put in individual wells.

Stan Byrd, realtor, 3238 Byrd Lane, Sophia, commended the planning staff on the job they do in working with developers, realtors and neighbors. He said that the new neighborhood information meetings are a very good tool. He said that he was the realtor involved in the first conservation subdivision in Randolph County and that they had encountered many unanticipated problems with the offsite septic systems and the layout of the site plan. He also mentioned a tv program he saw recently on CNN where people were opposed to large “monster” homes, because they were too large for their neighborhoods. This opposition is directly opposite from the position most people take when new subdivisions are proposed for their neighborhoods where the proposed new homes are in the 1200-1400 sq. ft. range.

Nancy Essick, 4175 Stewart St. Ext., Sophia, said that her property is at the end of the road below the proposed subdivision. She has well and septic system concerns. Thirty-five new wells will have an impact on the water supply and quality of the drinking water for all the current residents. She said that there has been a lot of confusion about what type and where the septic systems will be located—they cannot get a straight answer on this. She said that there is a creek that runs from the proposed subdivision through the middle of her property and Jerry Hicks’ property. She mentioned that there are 2 natural springs that flow from the proposed subdivision toward her property and Mr. Hick’s property. She said that part of the proposed site is swampland. She said that the neighbors never got a copy of the results of the soil analysis that was supposedly done. She said that she would like a study done by the EPA regarding the impact of the proposed subdivision and that the neighbors be given the results of the study.

Paul Delaisse, 4298 Stewart St., Sophia, said that a 1200 sq. ft. minimum is too small and would devalue surrounding properties. He said that the proposed subdivision is not really a cluster subdivision because 3 of the homes are not in the cluster. He is concerned with increased traffic should the subdivision be built. He said that currently Stewart St. is a ½ mile graveled road that has a 55 mph speed limit. He said that the entrance should be off of Hwy 311 at Mr. East’s residence, not near his home.

Bill Essick, 4122 Baker Farm Rd., Sophia, said that the traffic is already bad near the proposed subdivision and 35 more residences would add to the problem. Volunteer firemen already have problems crossing Hwy. 311 to get to the fire station. He said that approving this subdivision could be setting a precedent and cause more farmers to sell out in the area.

Larry East, applicant, told the Board that he would change the minimum sq. footage requirement to 1400 sq. ft. and said that he would agree to another condition such that he would not build any homes until Stewart Street had been paved.

On motion of Davis, seconded by Mason, the Board unanimously approved the request of Larry East with the new condition of a 1400 sq. ft. minimum house size and also that no building permits can be issued until Stewart Street has been paved.

Adjournment

At 7:40 p.m., the Board adjourned.

J. Harold Holmes, Chairman

Darrell L. Frye

Phil Kemp

Robert B. Davis

Robert O. Mason

Cheryl A. Ivey, Deputy Clerk to the Board